

## POOR LEGIBILITY

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OAHU SUGAR COMPANY, LIMITED  
SPECIAL STOCKHOLDERS' MEETING  
TUESDAY, NOVEMBER 29, 1960 - 2:00 P. M.

1. Statement re Quorum
2. Call and Notice of Meeting
3. Reading of minutes of the last meeting of the  
Stockholders held March 29, 1960  
(Motion to approve)
4. Consider and act upon proposed Plan of Reorganization
  - (1) Read Statement to Stockholders
  - (2) Ask Witten to read Resolution
  - (3) Cades Report on Litigation
  - (4) Questions
    - 1- Motion to adopt
    - 2- Second to adopt
    - 3- Vote
5. Adjournment

## INDEX TO FINANCIAL STATEMENTS

### AMERICAN FACTORS, LIMITED AND WHOLLY-OWNED SUBSIDIARIES

Opinion of Independent Public Accountants.  
Consolidated Balance Sheet, December 31, 1959.  
Consolidated Statement of Net Earnings for the Year Ended December 31, 1959.  
Consolidated Statement of Retained Earnings for the Year Ended December 31, 1959.  
Notes to Financial Statements.  
Consolidated Statements of Net Earnings for the Years Ended December 31, 1955, 1956, 1957, 1958, and 1959 (and for the Eight Months Ended August 31, 1960) are shown under the caption "Summary of Earnings" in the Proxy Statement.

### PIONEER MILL COMPANY, LIMITED AND WHOLLY-OWNED SUBSIDIARY

Opinion of Independent Public Accountants.  
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Notes to Financial Statements.  
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### OAHU SUGAR COMPANY, LIMITED AND WHOLLY-OWNED SUBSIDIARY

Opinion of Independent Public Accountants.  
Consolidated Balance Sheet, December 31, 1959.  
Consolidated Statement of Net Earnings for the Year Ended December 31, 1959.  
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## OPINION OF INDEPENDENT PUBLIC ACCOUNTANTS

### AMERICAN FACTORS, LIMITED:

We have examined the consolidated balance sheet of American Factors, Limited and its wholly-owned subsidiaries as of December 31, 1959 and the related consolidated statements of net earnings and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances. Having previously made similar examinations for the four years ended December 31, 1958, we also have reviewed the summary of earnings for the five years ended December 31, 1959 which is included under the heading "Summary of Earnings" in this Proxy Statement.

In our opinion, the accompanying consolidated balance sheet, consolidated statement of net earnings, and consolidated statement of retained earnings, with their footnotes, present fairly the financial position of the companies at December 31, 1959 and the results of their operations for the year then ended, and the summary of earnings summarizes fairly the results of operations for the five years ended December 31, 1959, all in conformity with generally accepted accounting principles applied on a consistent basis.

*Haskins & Sells*  
Haskins & Sells

Honolulu, Hawaii  
September 30, 1960  
as of March 7, 1960

(a) Former Oahu is duly organized, validly existing and in good standing under the laws of the State of Hawaii and is duly qualified and in good standing as a foreign corporation wherever the nature of the property owned or the business transacted by it makes such qualification necessary.

(b) As of September 1, 1960, the authorized Capital Stock of Former Oahu consisted of 300,000 shares, par value \$20 per share, all of which shares were issued and outstanding. Such shares have been validly issued and are fully paid and nonassessable. Former Oahu has not made, prior to the date hereof and thereafter will not make, any change in such authorized or issued and outstanding Capital Stock.

(c) The Consolidated Balance Sheet of Former Oahu at December 31, 1959, and the accompanying Consolidated Statement of Net Earnings for the year then ended, certified by Forbes & Prescott, copies of which have previously been furnished to American Factors, fairly set forth the condition of Former Oahu at such date and the results of its operations for the year then ended, in conformity with generally accepted accounting principles. Said Consolidated Balance sheet reflects all known claims against, and debts and liabilities of, Former Oahu, fixed or contingent, as of the date thereof, and all tax liability for the current and any prior years has been paid in full or adequately provided for except as noted therein. Since such date there has been no material adverse change in the assets or liabilities or in the financial condition or business of Former Oahu and its subsidiaries, and no change except in the ordinary course of business.

(d) Since September 1, 1960, Former Oahu has not, and will not prior to the effective date of the merger, declare or pay any dividend or make any other distribution of assets to its stockholders, except for the payment of regular quarterly cash dividends at the rates presently in effect.

(e) Prior to the effective date of the merger, Former Oahu will have changed its corporate name to Second Sugar Corporation and will have caused to be created a subsidiary corporation to be known as Oahu Sugar Company, Limited (herein sometimes called "New Oahu"). Former Oahu will thereupon transfer to the said Oahu Sugar Company, Limited, all of its transferable assets, properties, business and good will solely in exchange for stock or as a contribution to the Capital of its said subsidiary, and New Oahu will agree to assume all of the liabilities of Former Oahu with the result that on said effective date the Capital Stock of New Oahu will constitute all of the assets of Former Oahu except non-transferable assets, if any. New Oahu will thereupon have substantially the same identity, will be served by the same management, directors, officers, employees and equipment, and in general will conduct its operations in the same manner, under the same general principles and from the same offices and in the same areas as Former Oahu prior to the effective date of the merger.

(f) American Factors may, prior to the effective date of the merger, through its representatives, make such investigation of the properties and plants of Former Oahu and of the financial condition of Former Oahu as it deems necessary or advisable to familiarize itself with such properties, plants and other matters, and American Factors shall have full access to the premises and to all the books and records of Former Oahu, and the officers of Former Oahu shall furnish American Factors with such financial and operating data and other information with respect to the business and properties of Former Oahu as American Factors shall from time to time reasonably request.

## ARTICLE XVII

American Factors represents, warrants and agrees with Former Oahu as follows:

(a) American Factors is duly organized, validly existing and in good standing under the laws of the State of Hawaii and is duly qualified and in good standing as a foreign corporation wherever the nature of the property owned or the business transacted by it makes such qualification necessary.

(b) As of the effective date of this agreement, the authorized and issued capital stock of American Factors will be as set forth in Article XV hereof.

(c) The Consolidated Balance Sheet of American Factors at December 31, 1959, and the accompanying Consolidated Statement of Net Earnings for the year then ended, certified by Haskins & Sells, copies of which have previously been furnished to Former Oahu, fairly set forth the condition of American Factors at such date and results of its operations for the year then ended, in conformity with generally accepted accounting principles. Said Consolidated Balance Sheet reflects all known claims against, and debts and liabilities of American Factors, fixed or contingent, as of the date thereof, and all tax liability for the current and any prior years has been paid in full or adequately